

GENERAL FUND EXPENDITURES

The financial data presented in this section represents the expenditures of the City of Memphis General Fund.

Expense Forecasting and Budgeting Methodology

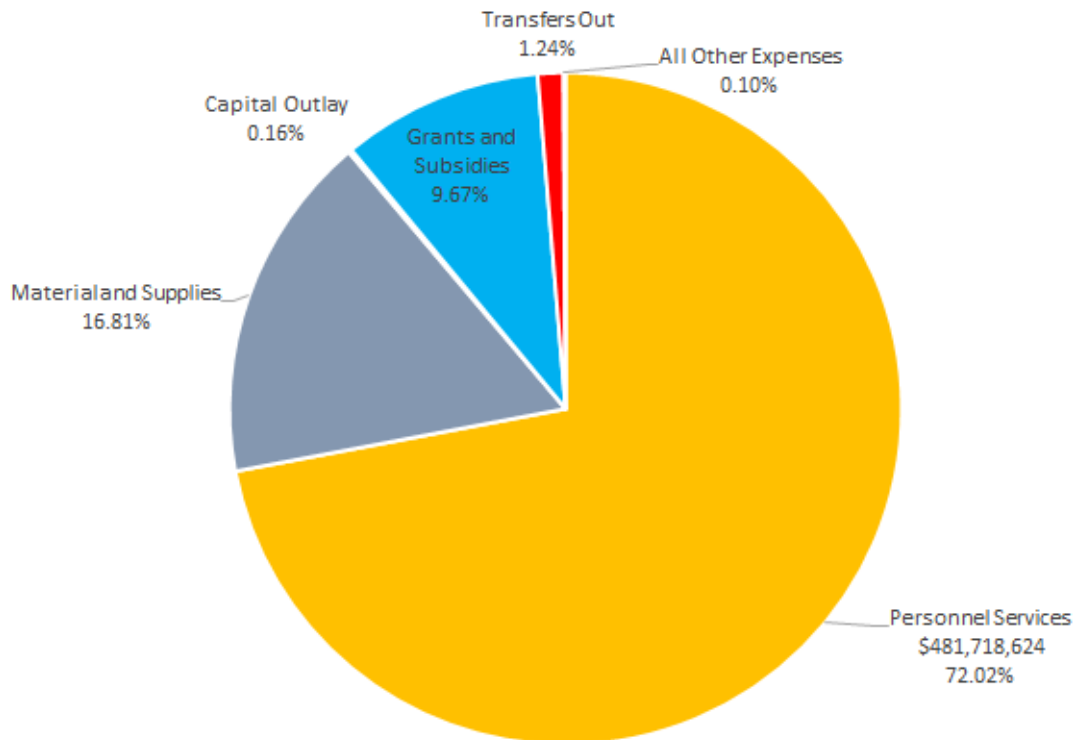
The main purpose of the budgeting process is to gain perspective on cash needs and set flexible goals for controlling expenditures. The by-product of the information produced will make the information in financial statements significantly more useful and identify areas requiring correction throughout the annual operating cycle.

Expenditures are budgeted 90 to 120 days ahead of the beginning of any budget year. They are budgeted at the lowest level of the operation of each respective division, by line item. Each line item budget is created based on past history, the trends of the current operations, and planned priorities or future cost expectations (increases or decreases). A financial forecast of actual and expected expenditures for the current year provides a static financial document and a one-time snapshot as an initial basis for budgeting each line item within a Division.

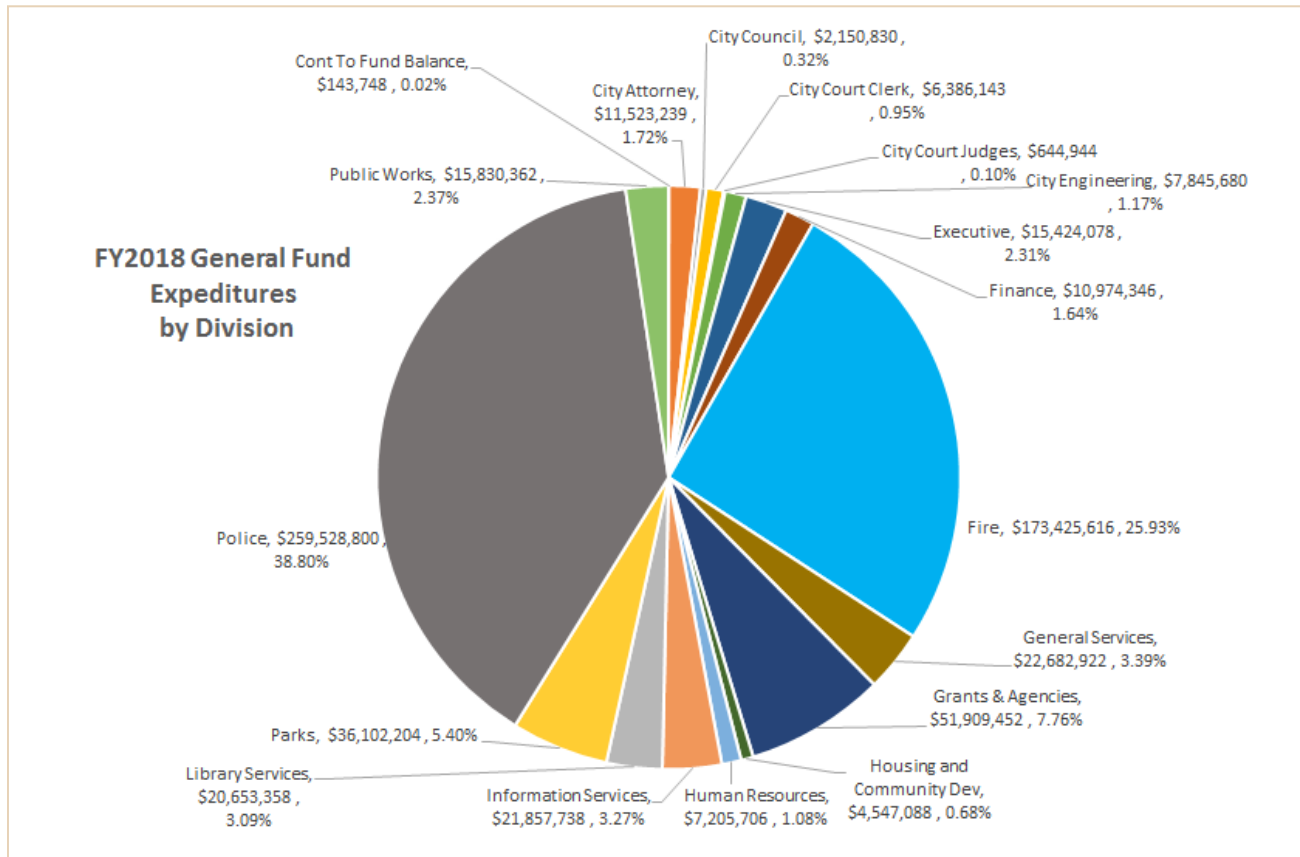
In addition to using expenditure data from the last year or several years of actual cost results, discussions with key personnel on the anticipated performance of current and new services, changes in the marketplace and other factors that might cause changes in priorities or spending are discussed and compared with prior years' and or the trending annualized forecast of the current operating year.

Collectively all of the methodologies: prior year experience, future trends, and stakeholders knowledge of the company priorities and goals, result in the budget number. All line items are summarized and adjusted as necessary to establish the final expenditure plan.

FY2018 General Fund Expenditures by Category



Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	451,553,312	471,609,792	466,752,933	481,718,624
Materials and Supplies	108,627,376	123,378,256	133,531,632	127,062,944
Capital Outlay	303,601	947,594	1,246,349	1,046,394
Grants and Subsidies	75,587,669	61,259,352	69,366,616	64,708,320
Inventory	334,523	285,687	359,343	379,591
Expense Recovery	(16,072,788)	0	(14,631,700)	(14,631,700)
Investment Fees	0	0	310,000	0
Service Charges	196,995	89,200	116,985	137,372
Transfers Out	18,774,636	9,724,061	8,424,061	8,270,955
Misc Expense	35,211	0	0	0
Contributed to Fund Balance	0	131,065	0	143,748
Total Expenditures	\$639,340,544	\$667,425,024	\$665,476,227	\$668,836,224



Division	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Unallocated / Cont To Fund Balance	15,124,490	131,065	310,000	143,748
Executive	8,412,609	13,167,265	13,488,282	15,424,078
Finance	7,489,284	8,846,480	9,205,383	10,974,346
Fire Services	165,503,264	172,259,680	174,263,264	173,425,616
Police Services	245,284,768	255,950,400	259,962,240	259,528,800
Parks	50,095,471	28,579,160	29,134,512	36,102,204
Public Works	14,675,702	21,116,822	15,097,998	15,830,362
Human Resources	7,342,499	7,707,002	8,287,794	7,205,706
General Services	21,773,610	25,638,240	22,504,444	22,682,922
HCD	3,929,151	4,323,202	4,774,675	4,547,088
Grants and Agencies	56,948,968	57,731,976	56,859,108	51,909,452
City Attorney	10,140,216	10,432,045	11,819,988	11,523,239
City Engineering	6,681,195	11,153,725	7,204,371	7,845,680
Information Systems	16,061,993	21,488,928	24,462,000	21,857,738
Library Services	109	19,370,122	18,890,789	20,653,358
City Council	1,443,451	1,759,375	1,580,895	2,150,830
City Court Judges	643,487	640,398	626,273	644,944
City Court Clerk	7,790,283	7,129,123	7,004,198	6,386,143
Total Expenditures	\$639,340,544	\$667,425,024	\$665,476,227	\$668,836,224

General Fund Expenditures Detail

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
PERSONNEL SERVICES				
Full-Time Salaries	242,801,152	318,993,088	266,240,464	327,990,496
Holiday Salary Full Time	4,112,232	0	3,469,401	0
Vacation Leave	20,784,206	0	13,111,924	0
Bonus Leave	2,012,878	0	1,731,655	0
Sick Leave	15,656,680	0	9,032,383	0
Overtime	31,922,502	26,091,480	38,863,692	27,232,564
Holiday Fire/Police	10,222,716	10,200,161	10,372,798	10,442,261
Out of Rank Pay	2,329,227	1,852,067	2,546,385	2,260,901
Hazardous Duty Pay	395,838	463,123	474,916	572,831
College Incentive Pay	6,000,906	6,009,247	6,169,026	6,278,909
Longevity Pay	2,100,947	2,008,532	2,059,177	2,028,027
Shift Differential	757,619	799,571	722,312	804,200
Bonus Days	1,390,438	1,949,000	2,206,700	2,214,700
Retirement Benefits	5,805,634	4,798,479	4,187,434	4,637,367
Job Incentive	951,511	1,037,500	979,135	1,038,500
Required Special License Pay	2,664	52,950	3,902	52,950
Pension	16,567,115	16,243,320	18,005,244	17,887,164
Supplemental Pension	126,343	127,959	128,214	131,507
Social Security	936,054	411,000	993,434	410,243
Blue M Health Insurance	66,806	0	0	0
Pension ARC Funding	29,841,162	34,112,132	33,396,412	32,639,144
Group Life Insurance	730,111	862,998	729,714	974,059
Unemployment	600,380	429,280	438,530	432,960
Medicare	4,814,838	4,675,850	5,259,517	4,509,166
Long Term Disability	794,895	863,757	813,620	888,929
Health Insurance - Retiree Supplemental	1,961,588	2,080,240	1,128,159	0
Health Insurance - Basic	3,363,844	1,807,517	1,645,261	0
Health Insurance - Value PPO	0	0	376,282	541,272
Health Insurance - Premier	40,175,844	39,951,948	32,502,714	31,550,900
Other Post Employment Benefits	0	1,510,046	54,090	0
Benefits Adjustments	0	7,184,783	(93,930)	7,490,462
Health Insurance-Local Plus Plan	0	0	5,714,325	11,052,458
Salaries - Part Time/Temporary	9,869,491	12,376,007	10,869,838	13,105,075
On the Job Injury	3,455,439	3,294,314	3,762,498	3,278,311
Book Reimbursement - Old	108	0	0	0
Tuition Reimbursement - New	154,173	490,000	308,777	200,000
Book Reimbursement - New	2,997	5,000	10,000	10,000
Student Loan Repayment	0	0	0	200,000
Payroll Reserve	2,338,688	1,057,956	(716,426)	7,100

General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Attrition	0	(16,083,120)	(500,000)	(15,746,856)
Bonus Pay	1,168,900	0	4,072,524	0
Expense Recovery - Personnel	(12,662,614)	(14,046,416)	(14,305,072)	(13,396,960)
Total Personnel Services	\$ 451,553,312	\$ 471,609,792	\$ 466,765,024	\$ 481,718,624

MATERIALS AND SUPPLIES

City Hall Printing	319,890	350,000	385,000	350,000
City Hall Postage	0	1,000	0	1,000
Document Reproduction - City	2,500	2,500	0	2,500
City Storeroom Supplies	42,047	19,853	24,174	19,990
Facility Repair & Carpentry	203,057	215,136	219,199	182,451
City Shop Charges	7,007,160	6,925,908	7,086,862	7,438,439
Info Sys Comput/Off Mach	0	0	1,913	0
Info Sys Phone/Communication	0	3,374	0	3,374
City Shop Fuel	4,376,624	6,941,636	5,325,128	6,099,598
Outside Computer Services	1,166,966	2,301,904	1,760,682	3,579,409
City Computer Svc Equipment	228,732	2,549,815	3,602,460	2,644,051
Data/Word Processing Equipment	399,577	200	9,940	20,200
Data/Word Process Software	2,198,213	2,846,015	2,997,970	2,110,225
Pers Computer Software	386	3,100	2,000	1,661,685
City Telephone/Communications	525,233	558,164	526,671	608,322
Printing - Outside	268,488	346,150	360,627	336,987
Supplies - Outside	1,337,962	1,163,220	1,182,565	1,255,508
Food Expense	112,696	85,000	115,561	112,000
Word/Processing/Duplicate	731	0	86	0
Hand Tools	86,771	110,484	124,685	121,184
Document Reproduction - Outside	4,120	2,058	1,065	2,058
Clothing	1,815,479	2,308,813	2,165,852	1,965,594
Household Supplies	383,132	686,388	643,796	835,486
Ammunition & Explosives	910,795	745,191	563,724	400,500
Safety Equipment	820,438	766,532	739,304	885,315
Drafting/Photo Supplies	22,854	35,634	33,787	34,134
Medical Supplies	2,392,600	2,443,060	2,420,185	2,399,725
Athletic/Recreational Supplies	93,381	77,400	85,848	94,300
Outside Postage	806,166	753,005	668,127	751,855
Asphalt Products	4,109,868	5,059,250	5,060,236	5,062,250
Lumber & Wood Products	4,676	25,000	25,000	30,000
Paints Oils & Glass	282,812	319,000	319,000	414,000
Steel & Iron Products	144,585	111,700	121,700	122,700
Pipe Fittings & Castings	133,154	287,000	368,595	276,738

General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Lime Cement & Gravel	255,002	66,000	67,500	70,000
Chemicals	208,068	230,141	260,078	298,462
Materials and Supplies	3,742,390	3,084,221	3,048,059	3,261,021
Miscellaneous Expense	91,883	88,953	84,267	103,153
Library Books	1,203,522	1,289,290	1,290,501	1,290,501
Tower Lease Expense - Library	26,901	46,208	46,208	46,208
WYPL Arkansas Tower Expense - Library	34,707	30,000	30,000	30,000
Operation Police Canine	62,688	60,867	80,134	59,000
Operation Police DUI Unit	40,121	80,000	45,000	15,000
Operation Police Traffic Unit	37,853	80,000	77,592	70,000
Operation Police Mounted	58,455	69,200	60,538	63,292
Operation Police TACT	88,390	100,101	71,000	115,000
Maintenance Traffic Signal System	1,002	4,000	2,000	4,000
Repair/Oper Air Raid System	179	0	0	0
Operation Police Aircraft	219,593	671,432	600,000	565,669
Outside Vehicle Repair	3,774,893	3,109,840	3,798,370	3,078,340
Outside Equipment Repair/Maintenance	2,295,463	2,140,986	2,000,302	2,090,312
Facilities Structure Repair - Outside	333,343	777,043	796,022	778,043
Maintenance Of Grounds	93	0	0	0
Horticulture	9,846	10,000	11,525	10,000
Internal Repairs and Maintenance	373,679	455,737	509,016	415,737
Drug Education Program	1,101	0	0	0
Special Investigations	197,877	427,325	30,068	40,000
Legal Services/Court Cost	3,929,468	2,842,386	4,069,095	3,287,272
Medical/Dental/Veterinary	220,987	569,564	320,011	237,800
Legal Contingency	34,117	90,000	40,000	150,000
Accounting/Auditing/Cons	324,114	347,631	384,126	379,150
Advertising/Publication	230,788	914,006	774,770	494,406
Outside Phone/Communications	3,357,558	3,465,331	3,201,750	3,367,355
Entertainment	0	0	182	0
Janitorial Services	1,058,060	1,388,692	1,592,388	1,314,155
Security	1,231,229	1,359,981	1,239,032	1,715,535
Photography	0	650	231	650
Weed Control/Chemical Service	126,429	190,442	193,647	184,200
Total Quality Management	83	300	0	300
Seminars/Training/Education	263,131	595,937	512,886	715,394
Fixed Charges	1,127,739	1,285,520	1,089,988	1,285,520
Misc Professional Services	40,005,728	37,417,108	46,581,252	40,621,432
Employee Activities	295	0	0	3,000
Rewards and Recognition	6,176	57,500	77,205	109,950

General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Staff Development	0	2,000	0	1,000
Administrative Fees	100	0	(100)	0
Textbooks	52,533	103,000	98,000	55,400
Travel Expense	433,144	669,924	519,665	610,224
Unreported Travel	11,320	5,029	16,471	3,496
Relocation Expense	0	300,000	1,063,055	200,000
Auto Allowance	0	837	0	0
Outside Fuel	37,912	43,436	42,386	42,100
Mileage	205,903	274,751	249,231	263,851
Utilities	8,145,834	10,681,700	11,073,157	10,066,649
Sewer Fees	1,211,114	1,400,000	1,412,848	1,331,580
Demolitions	2,979,543	3,000,000	2,750,000	2,450,000
Insurance	5,000,479	6,028,430	6,173,526	6,930,663
Claims	178,811	1,140,252	930,656	1,175,252
Lawsuits	2,164,473	2,828,771	4,906,669	2,428,775
Hospitality	1,978	1,801	10,301	3,801
Dues/Memberships/Periodicals	216,971	255,600	266,282	274,567
Rent	2,559,982	2,065,613	2,716,472	2,077,661
Radio Trunking Lease	0	2,000	2,000	2,000
Misc Services and Charges	2,508,130	3,173,541	2,714,393	3,213,821
Fire Loss	0	0	4,321	0
Urban Art Maintenance	9,995	10,000	10,000	10,000
Hotel	459	0	0	0
Minor Equipment	45,450	82,650	79,651	108,450
Equipment Rental	2,025,851	2,434,366	1,962,599	2,481,343
Expense Recovery - Telephones	(856,013)	(700,000)	(700,000)	(700,000)
Expense Recovery - M & S	(13,494,314)	(11,843,322)	(12,724,434)	(12,104,122)
Catering	13,686	28,000	28,000	45,000
Total Materials and Supplies	\$ 108,627,376	\$ 123,378,256	\$ 133,531,632	\$ 127,062,944

CAPITAL OUTLAY

Furniture/Furnishings	283,855	338,900	359,008	294,700
Computers	0	0	0	85,000
Prod/Constr/Maint Equipment	11,198	44,000	7,000	44,000
Equipment	7,337	564,694	880,341	622,694
Security Equipment	1,212	0	0	0
Total Capital Outlay	\$ 303,601	\$ 947,594	\$ 1,246,349	\$ 1,046,394

GRANTS AND SUBSIDIES

Sports Authority	3,773	0	0	0
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General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Payment To Subgrantees	537,483	75,475	99,601	75,475
Aging Commisison of the Mid-South	143,906	143,906	143,906	143,906
Elections	998,897	0	0	0
MIFA General Assistance	656,696	669,218	669,218	669,218
Africa In April	50,000	70,000	70,000	0
Section 108 - Court Square	754,065	1,455,720	1,387,890	1,851,487
Shelby County Assessor	0	600,000	600,000	2,400,000
Business & Economic Development Grants	41,670	61,377	559,445	0
Community Initiatives Grants for Non-Profits	111,839	1,465,167	1,476,543	2,851,147
Community Development Grants	61,227	269,531	277,122	300,000
Economic Development	105,168	0	343,832	0
Start Co.	25,000	25,000	25,000	75,000
Memphis Film & Tape Commission	175,000	175,000	175,000	175,000
Homeless Initiative	247,501	382,500	439,957	232,500
Pensioners Insurance	13,828,968	11,016,550	11,016,550	11,016,550
Downpayment Assist/City	169,707	192,930	248,543	192,930
Disaster Recovery Relief	250,000	0	0	0
Planning & Development	1,500,000	1,500,000	1,500,000	1,500,000
Death Benefits	357,513	0	30,911	0
Riverfront Development	2,974,000	2,974,000	2,974,000	2,974,003
Memphis Area Transit Authority	29,420,040	25,920,040	30,920,040	25,920,040
MLGW Citizen's Assistance - Grants	957,444	1,000,000	1,000,000	1,000,000
Family Safety Center of Memphis and Shelby County	200,000	200,000	200,000	200,000
RBC Training/Certification Program	2,672	4,650	4,650	4,650
EDGE	2,511,368	1,980,000	2,475,000	1,980,000
Social Services Administration	23,603	89,537	125,629	89,537
Botanic Gardens Foundation	0	250,000	250,000	0
MHA/HCD Community Development Projects	575,296	157,000	239,185	157,000
Urban Art	130,000	150,000	150,000	150,000
Target Area Small Business Loan Fund	0	23,250	19,260	0
Sickle Cell Center Foundation	50,000	0	50,000	0
Juvenile Intervention and Faith-Based Follow Up (JIFF)	150,000	150,000	150,000	150,000
Middle Income Housing	0	300,000	300,000	500,000
Contr Assist Prog/Bonding	4,948	4,650	4,650	4,650
Black Business Association	200,000	200,000	200,000	200,000
Pyramid - Section 108	0	644,461	644,461	660,112
Peabody Place - Section 108	1,191,371	0	0	0
MapSouth Inc.	46,300	41,750	41,750	0
Convention Center	2,053,566	2,053,566	2,053,566	2,051,041

General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Professional Services	382,000	0	200,000	0
WIN Operational	106,644	55,000	95,000	50,000
Ambassador's Fellowship Pay	1,885,336	1,663,740	2,185,568	2,138,740
Innovate Memphis	387,000	387,000	1,112,000	387,000
Exchange Club	50,000	50,000	50,000	75,000
Life Line to Success	100,000	200,000	200,000	0
Shelby County School Mixed Drink Proceeds	4,084,437	3,200,000	3,200,000	3,200,000
2015 Shelby County School Settlement	1,333,335	1,333,335	1,333,335	1,333,335
Memphis Health Center	375,000	0	0	0
Serenity Recovery Centers	125,000	125,000	125,000	0
Grant Repayment Expense	6,249,899	0	0	0
Total Grants and Subsidies	\$ 75,587,669	\$ 61,259,352	\$ 69,366,616	\$ 64,708,320
INVENTORY				
Inventory Purchases	95,311	71,820	140,919	117,793
Food Inventory	239,212	213,867	218,425	261,798
Total Inventory	\$ 334,523	\$ 285,687	\$ 359,343	\$ 379,591
EXPENSE RECOVERY				
Expense Recovery - State Street Aid	(16,072,788)	0	(14,631,700)	(14,631,700)
Total Expense Recovery	\$ (16,072,788)	\$ 0	\$ (14,631,700)	\$ (14,631,700)
MISC EXPENSE				
Misc Expense	35,211	0	0	0
Total Misc Expense	\$ 35,211	\$ 0	\$ 0	\$ 0
INVESTMENT FEES				
Investment Fee	0	0	310,000	0
Total Investment Fees	\$ 0	\$ 0	\$ 310,000	\$ 0
SERVICE CHARGES				
Credit Card Fees - Expense	196,995	89,200	116,985	137,372
Total Service Charges	\$ 196,995	\$ 89,200	\$ 116,985	\$ 137,372
TRANSFERS OUT				
Oper Tfr Out - Misc Grants Fund	223,800	0	0	5,000
Oper Tfr Out - Workforce Investment	2,000,000	0	0	0
Oper Tfr Out - HCD Grants	5,000,000	0	0	0

General Fund Expenditures Detail *(continued)*

Expenditure Types	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Oper Tfr Out - CRA Program	2,351,054	2,739,130	2,739,130	2,739,130
Oper Tfr Out - Debt Service Fund	5,313,863	4,984,931	4,984,931	4,726,825
Oper Tfr Out - Capital Projects Fund	2,330,685	0	0	0
Oper Tfr Out - Library Retirement Fund	0	0	700,000	800,000
Oper Tfr Out - OPEB Fund	1,555,236	2,000,000	0	0
Total Transfers Out	\$ 18,774,636	\$ 9,724,061	\$ 8,424,061	\$ 8,270,955
CONTRIBUTED TO FUND BALANCE				
Contribution To Fund Balance/RE	0	131,065	0	143,748
Total Contributed to Fund Balance	\$ 0	\$ 131,065	\$ 0	\$ 143,748
TOTAL EXPENDITURES	\$ 639,340,544	\$ 667,425,024	\$ 665,488,320	\$ 668,836,224

